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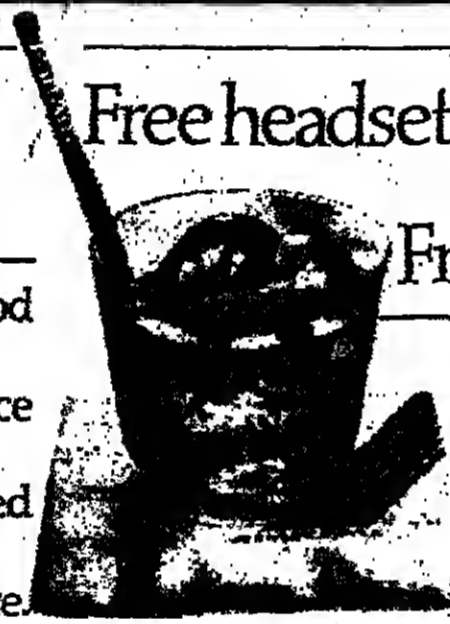
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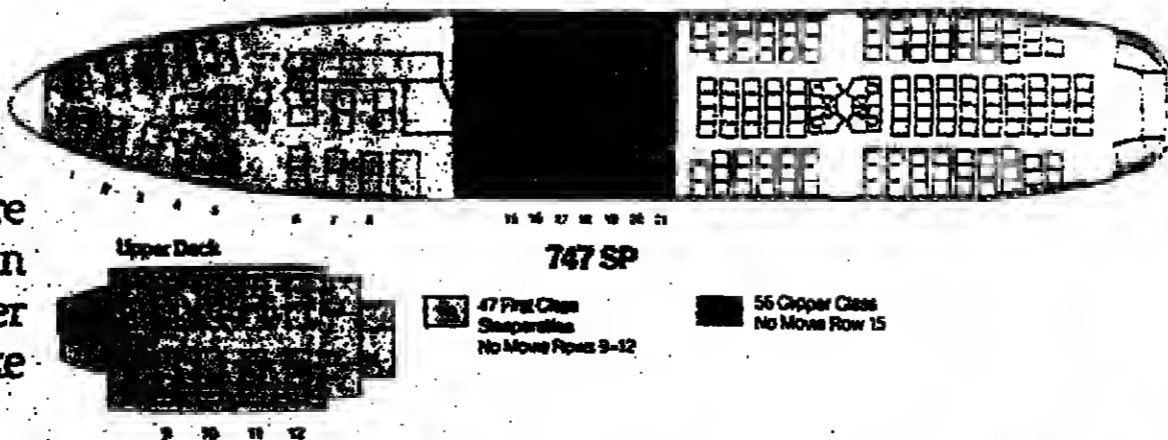
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THE ARTS

Paul Griffiths reflects on the musical machinations of time Growing the whiskers of increasing refinement

Just suppose for a moment that we were living a century ago. Wagner is recently dead; we could have seen his Parsifal performed for the first time at Bayreuth last year.

discrepancy. They range from the severely practical to the metaphysical, from the general damaging of western brains from lead pollution to the impossibility of making songs after Auschwitz and Hiroshima.

But I wonder if all these arguments are not addressing a false comparison and a false problem. To labour composers now for not being Wagner, Brahms, Tchaikovsky and the rest is to suppose that the Wagner et al. of 1883 were the same as the Wagner et al. of today.

music always carries within it traces of its time. Like any product of the human mind, it may be, therefore, that we need to project ourselves backwards if we are to appreciate say, the operas of Massenet.

load of meaning that was not available to its first listeners. And that meaning has been added by an array of composers, performers and critics.

have also contributed a cloud of nuances, thin at the start but now dense and still growing. Meanwhile critics and musicologists have similarly altered perceptions. It is entirely possible, for instance, that Wagner and Brahms would simply not understand much that is now being written about them in terms of psychological motivation and musical analysis.

If one wants proof of that, one only has to look at the original reviews, whose judgments and assumptions so often seem alien to the point of incomprehensibility. It is not that critics then were deaf or stupid, merely that they were remarking on experiences quite other from our own.

Theatre in the United States II: Irving Wardle at Louisville

A celebration of writers' lib

Jas-lag is nothing compared with the shock of moving from the Broadway theatre to the Actors Theatre of Louisville, Kentucky. New York theatre is a sumptuously upholstered WASP haven from the teeming, uncensored life on the streets.

design unit, as the actual vehicle was too high for the warehouse doors. Environmental theatre may likewise be due for the garbage tip, but you can only salute a company that goes to such lengths to give a playwright what he wants.



The cold, detailed surface of Sand Castles (left), with Carol Shoup-Sanders and John Veunema; and Bill Smitrovich and Kent Broadhurst (as Running Joke) in the steamy excess of Food from Trash



This is my fourth experience of Louisville's annual Humana Festival of New American Plays, but the opera still takes my breath away, and I doubt whether any place on earth does as much to promote the work of living playwrights.

There remains the question of the play itself. Food from Trash is the latest American rewrite of An Enemy of the People, simultaneously examining the commercial abuses of toxic waste and disposal and its moral effect on those who do the job.

room. And, while these fragmentary stories are taking shape, we observe the regular traffic of the beach: an elegant prostitute on the promenade above who keeps in touch with her tough, protective daughter by walkie-talkie; and a deranged Ancient Mariner figure who haunts the area, erupting into spasmodic violence and attempts to make it back to his native Australia by surfboard.

But the remarkable thing is that Benny the comedian does not run away with the play, which sustains an impassioned and closely argued debate on the ethical paradoxes of betrayal and revenge from which the two old men emerge as tragically divided equals.

Television Worth the telling

The format of First Tuesday (Yorkshire) - that of a "news magazine" - is obviously not a new one; most of the "hard news" at six or nine o'clock is now treated in a glossy and anecdotal way, so that we seem to be watching a collection of short stories.

If the first sight was anything to go by (and it rarely is), success is imminent. The longest item, "The Chinese Geordie", concerned a Tyne-side, David Young, who in 1949 jumped ship at Hongkong and joined the Chinese Communists.

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RSC THE Taming of the Shrew The RSC has a success to be proud of. BARBICAN THEATRE

Two other accomplished writers - William Mastrosimone (whose Off-Broadway hit, Extremities, appeared at Louisville two years ago) and Jeffrey Sweet - come together in a fine double bill on the theme of fathers and daughters.

Mr Sweet's The Value of Names concerns the reunion of a Jewish comedian and the director who snipped him to the House Committee on Un-American Activities 30 years before.

Elsewhere in the programme, the most persistent American theme was the problem of the protest-generation and the me-generation of making it in the conservative Eighties.

played not only with virtuosity but, even more laudably, with modesty and impeccable taste. Anne Hooley and Robin Bowman, a violin and piano duo, gave the first performance in London since 1889 (when it was written) of a Sonata in D minor by Parry.

Actors Unlimited aims principally to use Asian actors, and, with one exception, does so successfully they show here. Only the Hedda (Jenny Seagrove) and the Judge Brack, here reborn as Commissioner



Mary McDonnell masked behind radiance in A Weekend Near Madison

London debuts Stamina and breadth of vision

In her debut recital in Western Europe the Armenian pianist Nellie Akopjan justified her reputation as something of a Schumann specialist with her performance of that vast triptych the Fantasy in C major.

A slightly younger British pianist, Simon Sherring, was scarcely less accomplished. He began boldly with Beethoven's Bagatelles, Op 126, revelling in the astonishing variety of mood which makes the cycle as stormy and as visionary as a late piano sonata.

Concert Philharmonia/Dutoit Festival Hall

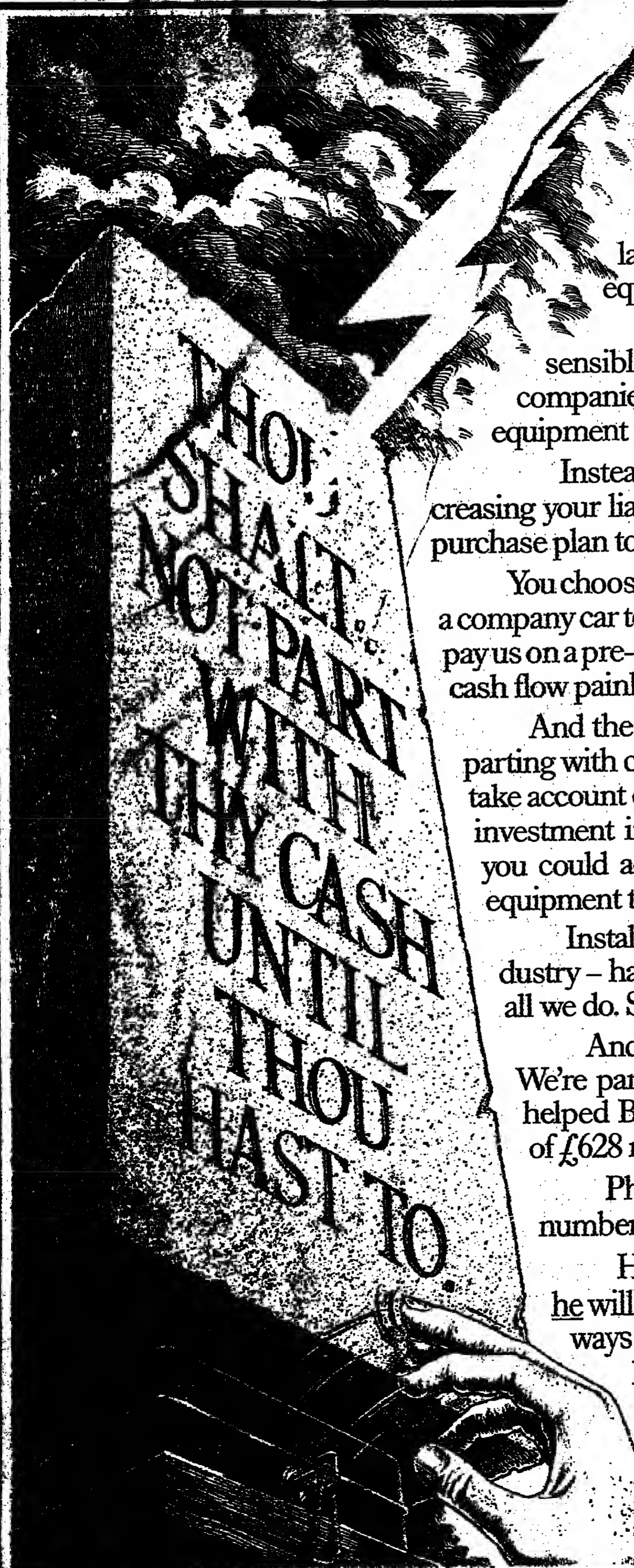
The sudden indisposition of Marisa Robles switched Rodrigo's Concierto de Aranjuez back on Monday from the advertised harp version to the original for guitar, and brought to the fore-front, which is just where he should be, the guitarist Alexander Lagoya.

Mr Lagoya obviously engaged immediately the respect and affection of both orchestra and audience, who demanded and received a short solo encore. He earned it by playing which made one realize just how seldom, among many so-called virtuoso performances of this work, an artist is able effortlessly to recreate that synthesis of the classical and the popular in form and sentiment of which Rodrigo himself speaks.

Hilary Finch



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On Yorkshire's famous moorland, Anne Haigh (left) is a member of a band of amateur archaeologists

whose findings may rewrite the history of Europe's Bronze Age

Stones that speak on Ilkley Moor

By Stan Abbott

For eight years Anne Haigh has meticulously scoured the 150,000 wild, wet, windy acres that are Ilkley Moor in search of the curious cup-and-ring marked stones that litter this peat and heather wasteland in West Yorkshire. Her efforts - and those of her fellow members of the Ilkley Archaeological Group, who have invested an estimated 25,000 man-hours in their fieldwork - and twice as long again cataloguing the results - seem almost insignificant in comparison with the three and a half thousand years the mysterious stones have guarded their secrets. Yet suddenly, in the space of a few weeks, the dream of every amateur archaeologist has come true for the Ilkley group as their work has suddenly acquired a significance that could ultimately require the rewriting of the prehistory not just of Britain, but of the whole of Europe.

evidence of hut circles on the moor being not in the Iron Age (about 600BC) as originally thought but to a much earlier Bronze Age. Soil samples now with Leeds University Plant Sciences Department may provide evidence from pollen and carbon-14 dating that the settlement originated in about 1800-1400BC. While both settlement evidence and cup-and-ring stones are found in highland Britain from Dartmoor to the Shetlands, nowhere else is the evidence linking the two so strong as at Ilkley. "If we are right, this really advances the knowledge of Bronze Age mixed-economy highland landscapes and it does so in an area that has been previously written off by British archaeology," Bill Godfrey declares. While Mrs Haigh, aged 69, the widow of a medical missionary, has painstakingly recorded the details of 260 cup-and-ring stones, more than half of them previously unknown, Mr Godfrey, a 49-year-old charge nurse, has been the group's "cainfield man". The contention is that while the highlands may have developed more slowly than areas like the Thames Valley and the Downs, they nevertheless enjoyed their own Bronze Age, which may well have endured in pockets until the arrival of the Romans, sharing cultural links with places as far away as Scandinavia and northern Italy.



Bill Gregory draws up a grid of an uncovered cairn. "People haven't been prepared to slog it out in the snowstorms to find the evidence."

"If you look at the average textbook distribution map of prehistoric Britain you find the highland areas are rather sparse," Godfrey says. "We believe this skew in the distribution maps is largely due to the fact that people haven't been prepared to slog it out in the snowstorms to find the evidence. It's been more fruitful for all these lovely professors in London and Oxford to 'do' the rolling downs." The Ilkley group's work had its beginning in adult education classes in 1975 and over the next few years the members set about training themselves in the skills of archaeology, such as fieldwork and surveying. "At the end of the first four or five years' work in about 1980," Godfrey continued, "we were aware that we needed to test our ideas further. Over the last two to two and a half years we had been pushing to get some exploratory excavation work under way." By the start of this year, that had led to West Yorkshire County Council agreeing in principle to release two staff from its archaeological unit for a short time and to the landowner, Major John Ingham, allowing the chosen site, a cairn selected because of its previously undisturbed appearance, to be excavated.

But it took visits from such distinguished prehistorians as Dr Andrew Fleming of Sheffield University, Peter Fowler, secretary of the Royal Commission on Historic Monuments and President of the Council of British Archaeology, and Professor Emmanuel Anati of the University of Lecca in southern Italy to spur the council's decision to allow work to start. Bill Godfrey admits that persuading Professor Anati, among the world's leading authorities on prehistoric art, was the result of rather a cheeky approach to him during a conference on British prehistoric rock carving at Glasgow University last month. On the Monday following the conference Professor Anati was due to fly home via London, but the group managed to persuade him it was worth his while breaking his journey at Ilkley. They duly rebooked his flight via Leeds/Bradford airport, whose approach path passes over Ilkley Moor, to allow a four-hour visit to the site. "Professor Anati wasn't quite sure at first why we had dragged him all the way across the moorland," Godfrey relates, "but he became more and more excited at what he saw." Most significant was the striking similarity between the cup-and-ring marked stones found in Lombardy and Scandinavia and those on Ilkley Moor, chiefly the elaborately carved Swastika

Stone, on which the rings round the cup form a swastika shape - virtually identical with the carvings Professor Anati had dated at around 700-1000BC. The precise raison d'être of the cup-and-ring stones remains, to say the least, a matter for speculation: no fewer than 123 different theories have been officially advanced, covering just about everything from sacrificial altars to star charts to maps of the alder hush scrubland thought to have covered Ilkley Moor at the time. A generally accepted theory is that Ilkley Moor in those days was - by contrast with the cautionary words in the popular Yorkshire anthem - a place where one could safely venture "bah'at" (without a hat), being some 4-5 degrees F warmer, and this has inevitably given rise to speculation as to what might have sustained the upland settlements. "This would have made summer-time habitation of the moor very much more pleasant - quite nice, in fact," Godfrey suggests. "We believe that what we see on the moor is a mixture of summer pastoral settlement plus some kind of socio-religious/ritual use of the area." Hopes that the excavation might provide immediate strong indicators, proved ill-founded and it will be some

weeks before soil analyses are complete. In any event, the development of the highland settlements chiefly found also in Dartmoor, the Peak District, North York moors, Northumberland, Galloway, along the Great Glen, Orkney, Shetland, south west Ireland and Brittany, seems to have taken a substantially different course from those in the lowlands. "The inter-relationship between them is something we just don't know the answer to yet," Godfrey says. But the arrival of "quite large quantities" of worked flint in the highland areas where the stone does not occur naturally point to a fairly active trade - possibly involving hides and pelts - which evidence suggests was also carried out over long distances, where valuable items like Whitby jet and Scandinavian amber were involved. Bill Godfrey believes the Ilkley Moor findings also serve as a valuable lesson for groups of enthusiastic amateurs up and down the country. "A lot of people wander around the countryside making their observations, doing a little bit here and there. They never get their information together and never consider it should be published. We started out not really knowing where we were going. It's only through persevering and researching that we have come to realise that the professionals aren't as far away from us as we thought they were."

It is easy to sneer at romantic fiction. Its image is both saccharine and cynical, the heroine disappearing into the reddening sunset wrapped in a very carefully designed cloak of glamour. But a 49-year-old Yorkshirewoman, Barbara Taylor Bradford, has quietly raised it to a very commercial art. Not only has her first novel, *A Woman of Substance*, sold more than seven million copies since it was published in 1979, but her three English-language publishers are so confident of her success that they have agreed to pay her more than \$8m for her next three novels, among the highest advances every paid to a novelist. In the past year she has become one of the three highest-earning novelists in the world. The first of the new trio novels, *Voice of the Heart*, has just been published in Britain and America. To capitalise on their Elm investment, Mrs Bradford's English publishers, Granada, have taken the rare step of mounting a television advertising campaign to support the book. In addition to the £1.5m she has already earned from her first book, Mrs Bradford's American agent, Morton Janklow, who also represents Judith Krantz and Shirley Conran, expects to deliver her royalty cheques amounting to £1m a year for the next five years. Barbara Taylor Bradford, who was born plain Barbara Taylor in Leeds, has become a bigger name in fiction than Cartland or Le Carre, Fuzo or even James Clavell. "I didn't ever think about being successful," she says. "I just knew that it was what I wanted to do. I don't really think about the large royalty cheques coming in every six months or so. I've always had quite a good standard of living and it hasn't made all that much difference." A smallish blonde woman, given to discreet jewelry and plain silk blouses, she con-

Barbara Taylor Bradford, whose first story went for half a guinea, has just accepted an advance of \$8m for her next three novels

The storyteller of substance



Emotions, says the novelist, speak louder than biology. "I bought some English antiques and paid too much for them because I bought them in New York, but the rest is simply invested carefully. I already had two fur coats, and I didn't want any more. How many fur coats can you wear at one time?" The only child of an engineer and a determined mother, she married the American film producer Bob Bradford in 1963 and moved with him in New York. She has only returned to

me - you must finish *Voice of the Heart*. She finished it, she says, to keep grief at bay. "When I was a child my mother encouraged me to read. I didn't have many friends, so I used to read. I'd read almost all of Dickens by the time I was 12. I didn't understand it, but I read it." In fact she sold her first story when she was 12. "A magazine sent me a cheque for 10 shillings and sixpence and I knew I didn't want to do anything else." She ignored her parent's advice to go to Leeds University, and joined the *Yorkshire Evening Post* as a typist. At 16 she was a trainee reporter, and at 18 in charge of the women's page. Within two years she was in London, first as fashion editor of the magazine *Woman's Own*, and then as a reporter on the *London Evening News*. After her marriage she continued to work as a journalist, specializing in design - "but all the time I was thinking about novels and writing bits of them. I must have done at least three." Finally in 1976, at the age of 43, she started work on *A Woman of Substance* and she has never looked back. Even *The New York Times* called it "extravagant and absorbing". It is already being made into a television series by the same American company that persuaded the late Ingrid Bergman to portray Mrs Goida Meir - "they have a good record of doing things tastefully, and I had turned down all sorts of other approaches to do it." Negotiations are already under way to make another series of the new novel. "The reason I am successful, I think," she says, "is that I write about emotion and feelings, which people are fascinated by. I don't write about sex very much. I'm not interested in biological details. Everyone knows what you do in bed." Geoffrey Wansell

Without the boundaries of good taste



A passing fuss was caused the other day by a new book of riddles edited by Kevin Crossley-Holland, which contained two jokes about Lord Mountbatten in the worst possible taste. Whenever I hear that something is in the worst possible taste, I immediately suspect that I am missing something funny, so I took steps to find out what the offending riddles were. Imagine my chagrin when I found out that they were both quite familiar to me, having been told to me by my children over a year ago. The only funny thing, in fact, was the sight of grown-ups working themselves into a lather of indignation over the juvenile sense of humour. Children love black humour - in my school days it was the newly imported sick jokes from America that were all the rage - and it is only when they mature that they become toffee-nosed and obsessed with good taste. In other words when they start denying the way people really think and talk. Good taste breaks out all over the place. It broke out in Kilburn not so long ago when the council tried to outlaw the telling of Irish jokes, and were greeted by a storm of merriment from all right-minded Irishmen. I learnt all my best Irish jokes from a book published in Dublin, though of course they weren't jokes against Irishmen - they were jokes against the people of Kerry, who perform the same fictitious function there as Tasmanians do in Australia or Belgians in France. And it broke out again last week when TONY BANKS of the GLC tried to insist that the London Marathon could only take place if 20 or so disabled competitors were allowed to

MOREOVER... Miles Kington

wheelchair themselves in the race itself. Organiser Chris Brasher quite rightly pointed out that a running race is a running race is a running race, and that the last thing runners want is to find themselves falling over wheelchairs, though in the prevailing spirit of good taste, he had to put very tactfully the notion that people in wheelchairs, however worthy, were not runners in the true sense. Now, it is one of the axioms of humour that the best jokes about minorities usually come from the minorities themselves. The funniest Catholic jokes I know were told me by Catholics. I remember with great pleasure George Shearing, the blind pianist, telling Roy Plomley in *Desert Island Discs* of his stint in an all-blind orchestra and of the night, just before curtain up, when one of the saxophonists yelled: "Stop! I've lost my glass eye!" If you've never seen 15 blind musicians on their hands and knees looking for a glass eye, said Shearing wryly, you haven't seen anything. Another wonderful blind pianist, Eddie Thompson, once told me that one of the saddest moments of his life came when he achieved a great ambition and got to drive a dodgem car at a funfair. No sooner had he started than the proprietor turned him off with the words: "I'm not having a blind man on my dodgems; you might bump into somebody." But the best of all blind jokes came from Stevie Wonder, the blind and black American singer/composer, who was once asked (or asked a million times, knowing interviewers) if blindness had hampered his career a great deal.

other at full speed in an attempt to commit mayhem. I saw a game in Canada recently which I still remember with awe because both sides had taken against the referee, whom they considered to be far below standard. "And what happened?" said Parkinson. "They ran him over," said Bader promptly. I wish Bader were still around to comment on Tony Banks. He would, I feel, probably support Mr Banks's insistence on having wheelchair athletes in the main marathon itself, on the grounds that a wheelchair athlete may not actually be able to win the race, but he could do an awful lot of damage. And I wish I could hear Mr Banks's reply.

CONCISE CROSSWORD (No 32)

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WEDNESDAY PAGE

JOANNA LUMLEY'S DIARY

Win, lose - or simply present the prizes

"Oh, by the way", said my sister, scarcely concealing a yawn, "this arrived today", and she let an envelope flutter from her fingers.

What is it that makes her win and not others? Not me, for example? The first time she won was when we bought raffle tickets in the church hall, and she got a terrifically large box of chocolates.

I, on the other hand, have never won anything in my life. I have bought enough raffle tickets to paper a theatre, and have entered all kinds of competitions (mainly the ones to win ponies or bicycles) but have never been mentioned even in the runners-up list.

Now I am in the twilight zone where I frequently hand over prizes or massive sums of money to happy contestants. I usually wear a hat and a wide smile, and of course I am thrilled to be even a small part of the winning streak.

Being rich is no longer the burden it was... I think the best thing about reading in bed at night is that you are quite possibly the only exact in the world reading those exact words at that precise moment.

The postmistress in the village has already warned me about the new one pound coins: apparently they cannot be heard when they fall as they are so light.

On the evening of Good Friday, we watched the Bond film on television. I was on screen for almost 90 seconds altogether. It was the second film part I had played.

There are so many really excellent things to make with shyllo pastry that I shall fill one of this week's space with chatter. Except to say that no fancy skills are needed to turn a packet of phyllo into dozens, nay hundreds of delicious, unusual, original creations of your own.

Phyllo is sold in packets, usually weighing about a pound, and the first place to look for it is in shops specializing in Greek or Middle Eastern foodstuffs. Frozen phyllo should be thawed slowly and completely in the refrigerator before the packet is opened.

Bacon and mushrooms puffs. Makes about 15. 1 tablespoon vegetable oil. 110g (4 oz) bacon, lean and fat, diced. 225g (8 oz) open mushrooms. 225g (8 oz) cooked potato.

THE TIMES COOK

Shona Crawford Poole

Lamb and aubergine puffs. Makes about 15. 340 g (12 oz) aubergine. Salt. 6 tablespoons vegetable oil. 225 g (8 oz) finely chopped onion. 1 clove garlic, finely chopped. 225 g (8 oz) raw or cooked lamb. 1 teaspoon ground cinnamon. Freshly ground black pepper. 85 g (3 oz) butter, melted. 8 sheets phyllo pastry.

Cut the aubergine, without peeling it, into large dice about 2cm (3/4 inch) square. Salt them generously and set aside for about 20 minutes to allow the salt to draw liquid from the flesh. Rinse the cubes and dry them.

Heat half the oil in a frying pan and fry the onion until it is tender but not browned. Stir in the garlic and fry for a moment more. Take the onion and garlic out of the pan, leaving behind as much of the oil as possible.

Heat the oil in a frying pan and add the onion and garlic. Add the meat cut in small dice, or minced. Season the mixture with cinnamon, more salt if needed, and plenty of pepper. Cook it only as long as the meat requires to be done.

Spiced lamb twists. Makes about 10. 225g (8 oz) cooked lamb. 55g (2 oz) fresh breadcrumbs. 2 tablespoons chopped spring onions. 2 tablespoons chopped parsley.

Curried vegetable puffs. Makes about 15. 4 tablespoons vegetable oil. 170g (6 oz) onion, finely chopped. 2 cloves garlic, finely chopped. 1 tablespoon ground coriander. 1/2 teaspoon ground ginger. 1/2 teaspoon ground chill. 340g (12 oz) cooked potato, diced. 4 spring onions, finely chopped. 4 tablespoons chopped parsley or coriander leaf. Salt. 85g (3 oz) butter, melted. 8 sheets phyllo pastry.

Heat the oil and fry the onion until tender. Stir in the garlic and stir fry for a moment or two more before adding the potato. Fry and stir the mixture for a little longer then remove it from the heat and stir in the spring onion and parsley. Season it to taste with salt. Fill the pastry and bake as directed in the first recipe.

1 tablespoon curry paste. 1 egg. Salt. 10 sheets phyllo pastry. 55g (2 oz) butter, melted. Mince, process, or finely chop the lamb and mix it with the breadcrumbs, spring onions, parsley, curry paste, egg and salt.



Lady Olga Maitland with Women for Defence helpers and (right) Joan Ruddock of CND

The Bomb: a woman's place is on both sides

Lady Olga Maitland, founder of Women for Defence, thinks that the Campaign for Nuclear Disarmament "has hijacked the word peace into appeasement". Joan Ruddock, chairman of CND, thinks that "the launching of Women for Defence may well be a disservice to women involved in the defence debate."

She spoke of her own women's movement in straight-backed soldierly terms. "My frontliners are all terrific troupers. We'll show people abroad that we're not in moral disarray." There was some domestic imagery, too. Cuddling Fergus, who was now sucking his thumb on her lap, she described nuclear defence as necessary "so that sausages like this can grow up in the freedom they deserve."

Joan Ruddock was a surprise: the question I most wanted to ask her was where she had bought her beautiful suit. It has a black and white striped skirt and plain black jacket with a CND badge pinned to the lapel.

She formed Women for Defence with four other women, like herself politically active fellow Tories, after paying two visits to Greenham Common. She was impressed by the Greenham women's sincerity and courage and the way they managed to impose tidiness and order on the squelching mud.

The sleekly elegant "frontliners" of Women for Defence have spoken of producing literature simple enough for a child to understand. Not surprisingly, they have been accused of patronising attitudes, of being as remote from the lives of ordinary women as any anoraked Greenham camper.

The reason Michael Heselstine gave for refusing Joan Ruddock's invitation to a public debate was that he thought CND has a closed mind. He might also have been aware that Joan Ruddock had already seen off one of his defence spokesmen, Winston Churchill, as well as Major General Christopher Popham, when she encountered them at the normally conservative Birmingham University debating society.



Joan Ruddock of CND

A peaceful pause among the teacups

She is 39 married to a reader in Biophysics at Imperial College. Unlike Lady Olga Maitland she has no children but, like her, runs two full-time jobs, organizing a Citizens Advice Bureau for four days a week and devoting every minute that's left to CND.

COMMENT

The pain in your pocket

Nine out of 10 employees face a drop in income when they are sick under the Statutory Sick Pay (SSP) scheme, which starts today. The new scheme, which replaces national insurance sickness benefit for the first eight weeks of illness, has been delayed for a year because of opposition from employers over their compensation.

The Government argues that it is unreasonable for people to be better off when sick, which has been the case for large numbers of workers under the sickness benefit rules. They have received full pay, less sickness benefit, and have thus paid less tax and national insurance than when at work.

Opponents of the scheme argue that people need more money when they are off sick to pay for the extra fuel bills incurred when they are at home, for higher prescription charges, and, in cases of serious illness, the cost of travelling to hospital and caring for children.

The scheme will cover virtually all workers, whose earnings below the three flat rates of SSP their employers will be obliged to pay. Qualified workers earning between £32.50 and £48.50 a week will be entitled to £27.20 a week SSP. Those earning £48.50 but less than £65 will be entitled to the middle rate of £33.75; those earning £65 a week or more will be entitled to the standard rate of £40.25.

Present sickness benefit rates are £25 a week for a single person, £40.45 for a married couple, and 30p for each child. The 30p child addition is expected to be abolished. November for all short-term national insurance benefits, including sickness benefit which will be paid to some workers excluded from SSP and to those whose illnesses last longer than eight weeks.

There are new rules on appeals. An employer can refuse to pay SSP to people excluded under the scheme, those who were not off work long enough, or those who notified the illness late, or if the employer has good reason to believe that the illness is not genuine.

Pat Healy Social Services Correspondent

TALKBACK

Allaying fear

From Dr N H Kemp, Scientific Secretary, Cancer Research Campaign, 2 Carlton House Terrace, London SW1. Whilst welcoming the general tenor of the article by Liz Hodgkinson entitled "Cancer: tackling fear..." (Wednesday Page, March 16) I feel obliged to take issue with her statement that "even though more than £60m a year is spent on cancer research in Britain alone, we are little nearer to finding either a cause or a cure".

With regard to causes - and I think that all concerned now realize that we must think of these in the plural - we know that cigarette smoking is responsible for approximately one third of all cancer deaths in this country. This indisputable achievement of cancer research means that, in theory at least, 40,000 deaths from lung cancer alone can be prevented each year.

Cancer research has also identified quite a number of environmental causes, including ionizing radiation, sunlight and certain chemicals. Although we do not yet know the causes of some of the common cancers, for example those of the breast and the stomach and the bowel, there are plenty of leads that are being vigorously pursued.

Slim choice

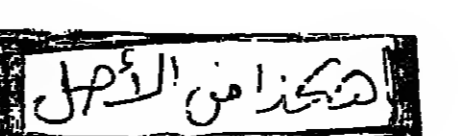
From Mrs S. M. Molyray, 19 Woodford Square, London, W14. Lady Ardwick (Talkback, March 11) is right in saying that wearing tight shoes is not women's own choice; but mistaken in stating that width is rarely a problem. It is easy to buy school-children's shoes in widths up to G, so there must be a sizable market for shoes that wide. But adults' fashion shoes are not made in widths above C - four sizes narrower! What are these unfortunate children to wear when they grow up?

There are a few shoes that specialize in wide shoes for pensioners whose feet have spread because of foot ailments; but a drainer selection it would be hard to find, and the sad thing is that these same ailments probably arose from wearing tight shoes because acceptable wide-fitting shoes were not available.

It is time the shoe trade realized the size (and shape) of the market.

Tomorrow: Modern Times looks at squash and the deadpan duellists who settle scores behind closed doors

THE TIMES COOK. Recipes for Lamb and aubergine puffs, Curried vegetable puffs, Spiced lamb twists, Baklava, and Baked mushrooms. Includes a diagram showing how to fold phyllo pastry and illustrations of the finished dishes.



THE TIMES DIARY

New leaf

The first publishing houses to reject the new package of terms for writers drawn up by the Society of Authors and the Writers' Guild are Jonathan Cape and Bodley Head...

Tables turned

It was a scandal of the recent Bafta awards that no sooner were they presented than three of the heavy bronze prizes were stolen...

Out of sight

Sir Lawrence Gowing, whose retrospective exhibition at the Arts Council's Serpentine Gallery is to visit Newcastle, Hull and Plymouth later this year...

London love

Americans are incurably romantic. Yesterday John Bryson, award-winning photographer for The Sunday Times, married Nancy Guild...

Black power

I must have underestimated the pulling power of Channel 4. Its all-black situation comedy series No Problem, has made folk heroes of the three stars...

Part Stanley football fans are playing an unwanted busy list of fixtures in patriotic red, white and blue strip supplied by a Midlands firm...

When the Argentines invaded but, says the club captain, Tony Chater: "We did not mind because it was light blue and white, the Argentine national colours, so we did not particularly want it anyway."

PHS

Anthony Bevins examines the figures in Foot's 12-point plan

How will Labour get out of this pension muddle?



Michael Foot: his plan would cost £3,000m a year

Peter Shore: only £500m left for pension increases

When Mr Michael Foot revealed Labour's 12-point plan for pensioners last month, a pledge that nine million voters would be given their rightful share in the country's future prosperity...

Mr Norman Fowler, the Social Services Secretary, meanwhile appears to be enjoying his own spectator sport, making statements and writing letters which put a minimum costing of between £13,000m and £15,000m on the 12-point plan...

pensioners. Mr Foot, therefore, either intends to increase Mr Shore's budget or plans to cut back on the proposals to increase public spending and restrain industrial costs.

Assuming that Mr Foot defends the jewel, Mr Fowler has done a public service in providing official figures which indicate the areas of Labour economy.

It would appear that Government and Opposition are agreed on certain elements of Mr Foot's 12-point plan. Both sides agree that it would cost £500m to uprate pensions by £1.45 for single, £2.25 for married pensioners to make good the lost earnings link.

It is also agreed that it would cost £115m to restore the future link between pensions and earnings, for every percentage point earnings rise above prices, £106m for a £20 Christmas bonus £80m to £90m to reduce women's age allowance to 60; £120m for a £200 death grant for all; and £100m to introduce a nationwide off-peak, concessionary half-fares scheme for pensioners.

Mr Fowler has also estimated that it would cost another £500m to pay existing supplementary benefit extra heating additions of £1.90 per week to all pensioners to match the commitment to ensure that no pensioner has to go short of the heating they need.

That would leave £1,500m for Labour's four remaining pledges: to improve the position of today's pensioners who will not benefit from the introduction of the earnings-related pension scheme; to begin the progressive reduction of men's retirement age to 60; to give more adequate protection to occupational pensions from the effects of inflation; and to reform "the harsh supplementary benefit rules introduced by the Tories."

It would cost an estimated £400m to reduce men's retirement age by one year, the basic extent of Labour's commitment over the lifetime of the Parliament.

There remains then, one final twelfth point in Mr Foot's plan: "We shall give a television licence to pensioners free of charge."

That would cost £250m. But the commitment has now been clarified in the body of Labour's campaign document, which states: "We shall phase out the television licence for pensioners, during the lifetime of the Labour Government."



Polish punks: drugs, drink and the black market provide an escape for thousands of young people whose only expectation is a constant call for further sacrifice

Battle for a drop-out generation

Warsaw Backstage at Warsaw's seedy Remont Club a teenage gargoyle uses a toothbrush to apply green colouring to his hair while croaking the lyrics of Odnowa (Renewal), a song that parodies the longstanding socialist catchphrase for reform: "Everything is different, everything is new, everything has changed - only the faces are the same."

Roger Boyes reports on the campaigns by church and state for the minds of Polish youth, who look for a better life after Solidarity

The Catholic Church and the Communist Party who, as in a renaissance tableau, are grappling for influence over the minds of the young people. Neither the church nor the party has been successful but the priests have the edge.

teachings when it comes to divorce and abortion. The battle for this uncommitted generation is not the usual shadow warfare associated with party struggle or the self-assertion of the church. It really matters. More than 50 per cent of the Polish population is under the age of 30; it is demographically one of Europe's youngest nations.

James Curran

Block votes behind the banners

At first sight, it seems totally improbable that a future Labour government would ever unilaterally abandon Britain's nuclear deterrent in the face of the combined opposition of the press, Whitehall, the armed forces, our Nato allies, the majority of the British people and the formidable section of Labour's leadership.

This scepticism is reinforced by a careful reading of Labour's campaign document. Although it states twice that "a non-nuclear defence policy" will be implemented in "the lifetime of the next Parliament", it also includes a number of escape hatches through which this apparently unqualified commitment could disappear.

"We are against moves", it declares, "that would disrupt our existing alliances". Furthermore, nuclear disarmament measures "cannot be done at once, and the way we do it must be designed to assist in the task to which we are also committed - securing nuclear disarmament agreements with other countries".

The document is, in any case, merely a draft election manifesto. Already some influential right-wing Labour MPs, such as Austin Mitchell, are arguing that Labour's commitment to unilateralism should be further qualified in the final manifesto presented to the country.

There are, however, good reasons for thinking that Labour probably will not back down from its commitment to unilateral nuclear disarmament either in opposition or in government. CND has organized a highly effective lobby among trade unionists that has gone largely unnoticed by the mass media.

It was union votes that largely counted for the adoption of the resolution calling for the closure of all nuclear bases in Britain by the Labour Party conference in 1972, and its inclusion in Labour's programme in 1982. Given CND's solid trade union base, the Labour Party will be officially committed to disarmament for the conceivable future.

This trade union support for unilateralism extends beyond the left-wing unions to include such bastions of the Labour right as the steel workers (ISTC) and the Post Office engineers (POEU). This means that there is a built-in unionist majority on Labour's national executive committee, whether it is controlled by the left or the right.

Peter Hennessy

In case of doomsday, the Otto option

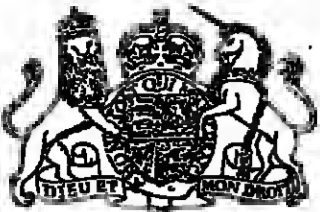
One of the comforting things about burying oneself in the files of the Public Record Office and seeing a Rolls-Royce civil service car work its way through the detailed contingency planning that used to go on to help Britain through a variety of disasters...

It would be of prime importance what Sir Douglas calls "scenario planning" - what would happen if something took place forward to, and show that a plan existed for getting us through with backs to the wall.

The plan involved changing school terms to enable children to gather in the harvest, the direction of labour to agriculture and a famine food programme. To work, it would need a national mobilization comparable with that which occurred in Dunkirk. Marshall Aid came on stream generously and swiftly. Otto's "hush-hush" plan, as it was known to the tiny handful privy to its contents, was shelved to become a collector's item in 1978 when it was declassified.

"It is different now," he said. "The armory of weapons you have got to deal with financial and economic crises, the reserves you have got, are much greater than you had then. A lot of instruments were ruled out. Interest rates were not used until 1951 to defend against an attack on sterling."

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COURT AND SOCIAL

COURT CIRCULAR

WINDSOR CASTLE April 5: By command of The Queen the Lord Somerset...

The Queen and the Duke of Edinburgh will attend a service for the Order of the Garter...

Lord Frederick Windsor, son of Prince and Princess Michael of Kent, is four today.

Princess Alexandra will be present at a reception held at the Intercontinental Hotel...

A service of thanksgiving for the life and work of Herbert Howells, CH, will be held in Westminster Abbey...

Dean's Yard, Westminster Abbey, London SW1P 3PA, enclosing a stamped addressed envelope...

A memorial service for Mr Lanning Roper will be held on Thursday, April 21, at noon at St Mary's church, Paddington Green, W2.

Birthdays today

Miss Joan Carville, 52; Mr Bernard Carter, 63; the Right Rev Dr L. M. Charles-Edwards, 81; Admiral Sir Desmond Dreyer, 75; Mr Julian Faber, 66; Mr Willis Hall, 54; Vice-Admiral Sir Charles Huggins Halliday, 85; Dr David Ingram, 59; Sir Philip Moore, 62; Miss Felicity Palmer, 39; Lord Newton, 68; the Duke of Northumberland, 69; the Rev Ian Paisley, MP, 57; Mr Andrew Previn, 54; Lord Winterbottom, 76; the Most Rev Dr Frank Woods, 76.

Forthcoming marriages

Dr P. J. Daly and Miss P. W. N. Guest The engagement is announced between Paul, eldest son of Mrs Babs Daly, of Edgbaston, Birmingham, and the late Dr John Daly, and Pamela, elder daughter of Mr and Mrs Frank Guest, of Moseley, Birmingham.

Mr M. J. Graham-Stewart and Miss F. C. Pigot The engagement is announced between Michael, son of Mr and Mrs C. W. Graham-Stewart, and Felicia, youngest daughter of Mr R. K. Pigot and Mrs J. R. Harrison.

Mr J. F. J. Hawkes and Miss S. J. Ansell The engagement is announced between Jeremy, eldest son of the late Mr and Mrs John Hawkins, and Serena, daughter of Mr and Mrs Jack Ansell, of Mildenhall, Marlborough, Wiltshire.

Mr L. Hoey and Miss R. Walton The engagement is announced between Laurence, son of Mr and Mrs B. A. Hoey, of Cowbridge, South Glamorgan, and Kay, daughter of Mr and Mrs S. H. Walton, of Cumbria.

Mr J. M. Edmondson and Miss A. I. Martin The engagement is announced between John Michael, son of Mr and Mrs John A. Edmondson, of St Margaret's Bay, Kent, and Anne Isobel, daughter of Mr and Mrs Jack R. F. Martin, of Milngavie, Glasgow.

Mr M. Gell and Miss A. Hobbell The marriage has been arranged and will take place on April 9 in Hoxton, London, between Mr M. Gell, son of Mr and Mrs A. Gell, of New York, and Amanda, daughter of the late Mr Harry Hobbell and Mrs Valentine Hobbell, formerly of Mount Street, Mayfair, London.

Dr R. J. Meares and Dr A. M. Garrett The engagement is announced between John, only son of Dr and Mrs R. H. Meares, of London, SW1, and Anna, elder daughter of Dr and Mrs M. J. Garrett, of Gayton, Wilt.

Mr W. M. Walker and Miss G. Smith The engagement is announced between William Macfarlane, younger son of Mr and Mrs G. W. Walker, of Linfield, Surrey, and Gillian, youngest daughter of Mrs H. V. Smith, of Brampston, Yorkshire, and the late Mr Smith.

OBITUARY

PROFESSOR H. H. SCULLARD Distinguished ancient historian

Professor Howard Hayes Scullard, the distinguished ancient historian, died in London on March 31 at the age of 80. He was born in Bedford on February 9, 1903, the only son of Herbert H. Scullard, then a Congregational minister in that town. When he was about four, his father moved to become Professor at New College, London, a training college for Congregational ministers, and the family settled in Hendon. Scullard went to Highgate School and St John's College, Cambridge, where he obtained a first in Part II of the Classical Tripos in 1926 and the Thirlwall Prize.

MR GEORGE SCHWARTZ

Mr George Schwartz, who died on April 2 at the age of 92, was an economist and journalist who wrote for The Sunday Times for 27 years, from 1944 as the paper's Deputy City Editor and from 1961 to 1971 as its economics columnist. He was also, from 1944 to 1961 Economics Adviser to Kemsley Newspapers.

MR STEPHEN MURRAY

Mr Stephen Murray, the actor, who has died, aged 70, had an uncommonly diverse experience in the classical theatre, as well as in television and radio.

WALTER REISCH

Walter Reisch, a prolific writer for the cinema and an occasional director, has died in the United States aged 79.

"We want you to come back"



Into gear: Kevin Knight, Matthew Kenny, Gerald May and Derek Palmer being cheered by Ken Potter as they all registered in Covent Garden yesterday for the eighth London to Brighton Bike Ride on June 26. They will be raising funds for the British Heart Foundation. (Photograph: Harry Kerr)

Latest appointments

Latest appointments include: Mr William Leckwood, aged 44, until recently in charge of the oriental department in Cambridge University Library, to be director of this Chester Beatty Library and Gallery of Oriental Art in succession to Dr Patrick Henchy.

St Ronan's School

St Ronan's School, Hawhurst, Kent, founded at Worthing, celebrates its centenary on July 16 and looks forward to seeing old boys and friends from 11 o'clock.

Moir House

The following Ingham Scholarship Awards for 1983 have been announced: Sarah Catherine Katherine Susan, Ursula, Alan, Brian, Philip, Michael, John, Elizabeth, Madeline, Nicholas, and others.

Church news

Appointments Church in Wales Diocese of Bangor The Rev Canon Robert Roberts, Director of Theological Studies, to be Archdeacon of Merioneth...

Rerieved Quantock ponies return

The first of the Quantock ponies yesterday returned to run free on the Somerset hills near Taunton. A herd of more than 60 wild ponies has grazed the Quantock uplands from the beginning of April for the past 60 summers, but this year most of the herd was slaughtered with slaughter at a cost of £56,000.

Action against farm gangmasters urged

Farmworkers' leaders are to urge the Government to take action to curb the activities of gangmasters who hire seasonal workers for farmers. Miss Joan Maynard, Labour MP for Sheffield, Brightside, who is sponsored by the agricultural workers' union, said yesterday: "Any unscrupulous person can set up as a gangmaster, exploit his high unemployment, and be able to intimidate members of the work force, who desperately need to bring some form of income into the home."

Plastic ice rink saves day for skaters

Ice-skating amateurs with championship aspirations took their first hesitant slides into the sport yesterday - on a portable plastic rink. Overwhelmed with demands for an ice rink after the recent world championship success of Jayne Torvill and Christopher Dean, Bolton Metropolitan Borough Council turned to a novel "mock ice" solution.

Britain in Bloom in urgent need of sponsor

The annual Britain in Bloom campaign could be in danger of being abandoned unless a commercial sponsor can be found, the British Tourist Authority (BTA) said yesterday. Mr Kevin Moloney, of the BTA, said the authority was appealing for a donation of about £12,000 to cover its part in organizing the national and international competitions that in recent years have attracted 500 entries and won Britain six prizes in the finals of the European Entente Florale.

£11,340 for dinner service

Christie's sale of English and nineteenth-century European ceramics yesterday included a Royal Copenhagen Jura dinner part dinner set, estimated to fetch £11,340 (estimate £5,000 to £8,000). It is painted in colours with specimen flower-sprays named on the reverse.

Homeless will test solar-heated houses

Two homeless families will help to pioneer an advanced solar heating system. They will move into new four-bedroom houses at Peterborough, which have been equipped with computer-controlled solar panels fitted to the roof and walls.

Dinner

Bakers' Company, Master of the Bakers' Company, presided at a dinner held at Bakers' Hall last night for members of the industry and their guests. The speakers were Mr Alan Campbell-Johnson and Mr F. J. Bentley. The guests included the Masters and Clerks of the Dyers' Guild and Wax Chandlers' companies.

Archaeology

Canterbury as a ghost town

Recent excavations in Canterbury have suggested that the city was effectively abandoned after the end of the Roman period, and that a ruined "ghost town" was resettled in the Dark Ages. This new town became the ecclesiastical city of St Augustine, and eventually the seat of the Primate of All England.

University news

Grant for research Trust £60,650 to fund research and teaching fellowship in biotechnology over five years.

IZOCAM GLASS WOOL/FIBREGLASS advertisement with contact information for Turkey and other regions.

CYPRUS

"The Turkish army may in years to come withdraw from northern Cyprus... but Rauf Denktaş's bluff little Ruritania in the north is going to survive in one form or another." So forecasts Robert Fisk in this Special Report which examines the prospects for a reunited island, and reports from either side of the so-called Attila Line.

There are times when the Greek Cypriots seem to live in a world of illusion. Fly into Larnaca on Cyprus Airways and you will find a map in the airline magazine which shows the historic sites of the island. Paphos is there, and Nicosia, and so too is Famagusta and Kyrenia. Only when you read the fine print, however, are you told that you cannot actually travel to Famagusta or Kyrenia or Bellapais or Salamis or anywhere else in the Turkish-held area north of the Attila line.

The illusion is fostered in other ways. All over the southern half of Cyprus, road signs point to places that you cannot travel to. In Nicosia, motorists are directed towards Famagusta or the mountain range north of the city despite the fact that for nine years the front lines of two large armies have cut the roads. The Cyprus telephone directory seems to have been produced in a world of make-believe. There are pages and pages of telephone numbers for Kyrenia, Famagusta and other towns in the Turkish-held part of the island. The Greek Cypriots listed in these pages fled - or were killed - almost a decade ago, but the directory still stubbornly insists that their phones are only "temporarily" out of order. After nine years, one has to ask when temporary becomes permanent.

The illusion is both brave and dangerous. That anyone can still believe the island will be reunited in the face of the world's disinterest is something of an achievement. But one day the Greek Cypriots are going to have to agree publicly - as many already do privately - that the Cyprus they once knew is not going to return. The Turkish Army may in years to come withdraw from northern Cyprus but the "Turkish Federated State" - Rauf Denktaş's bluff little Ruritania in the north - is going to survive in one form or another.

In a sense, the re-election of President Spyros Kyprianou in February was a mark of the growing sense of reality among Greek Cypriots. Kyprianou's efforts to solve the "Cyprus problem", to re-unify the island, had been lacklustre to say the least. The intercommunal talks held under the auspices of the United Nations had become little more than coffee-and-cake affairs. Kyprianou had promised to awake the world's conscience to the crisis on the island.

But the world grew tired and Kyprianou's two contenders for the presidency - the Rally Party's pro-Western Glafkos Clerides and the Socialist Party's Vassos Lyssarides - claimed that their efforts would have more effect on international opinion. The electorate once the less preferred the

before the Turkish invasion of 1974. Good times breed bad habits.

Not the least of these is the sprawling, ugly development of the capital, where planners have made little or no attempt to preserve the character of what was an extremely attractive city. Not four years ago, for example, one of the most charming restaurants of Nicosia was Charlie's Bar, a traditional, barbecue-type cafe in an old Ottoman villa near the city centre. One day, the patrons turned up to find bulldozers tearing down the building for an office block. Most of the restaurants in Nicosia now appear to be disintegrating and hole-in-the-wall bars catering for the island's ubiquitous United Nations garrison.

What the Greek Cypriots never seem to consider is the effect that all this conspicuous wealth is likely to have on the possibility of reunifying Cyprus. True, the Turkish Federated State exists, albeit without international recognition. True, Rauf Denktaş insists on a constitution which gives Turkish Cypriots real security. He suggests that there are two choices: a bi-communal federal republic or two republics joined by a non-aggression pact. Yet the Greek Cypriots are transforming their society in such a way that the latter may become a social as well as a political necessity.

The Turkish Cypriots may survive on a combination of local industry, funds from Turkey and dubious trans-shipment deals, but there is no evidence that they covet the prosperity of southern Cyprus. Greek Cyprus is represented among the councils of the Third World although the Turkish half of the island is infinitely more Third World in character than the sleek administration in the south. And perhaps the Third World is beginning to realize this. At the non-aligned conference in New Delhi, delegates called for the "immediate withdrawal" of occupation forces from Cyprus whereas the earlier Havana summit had demanded their "immediate and unconditional withdrawal".

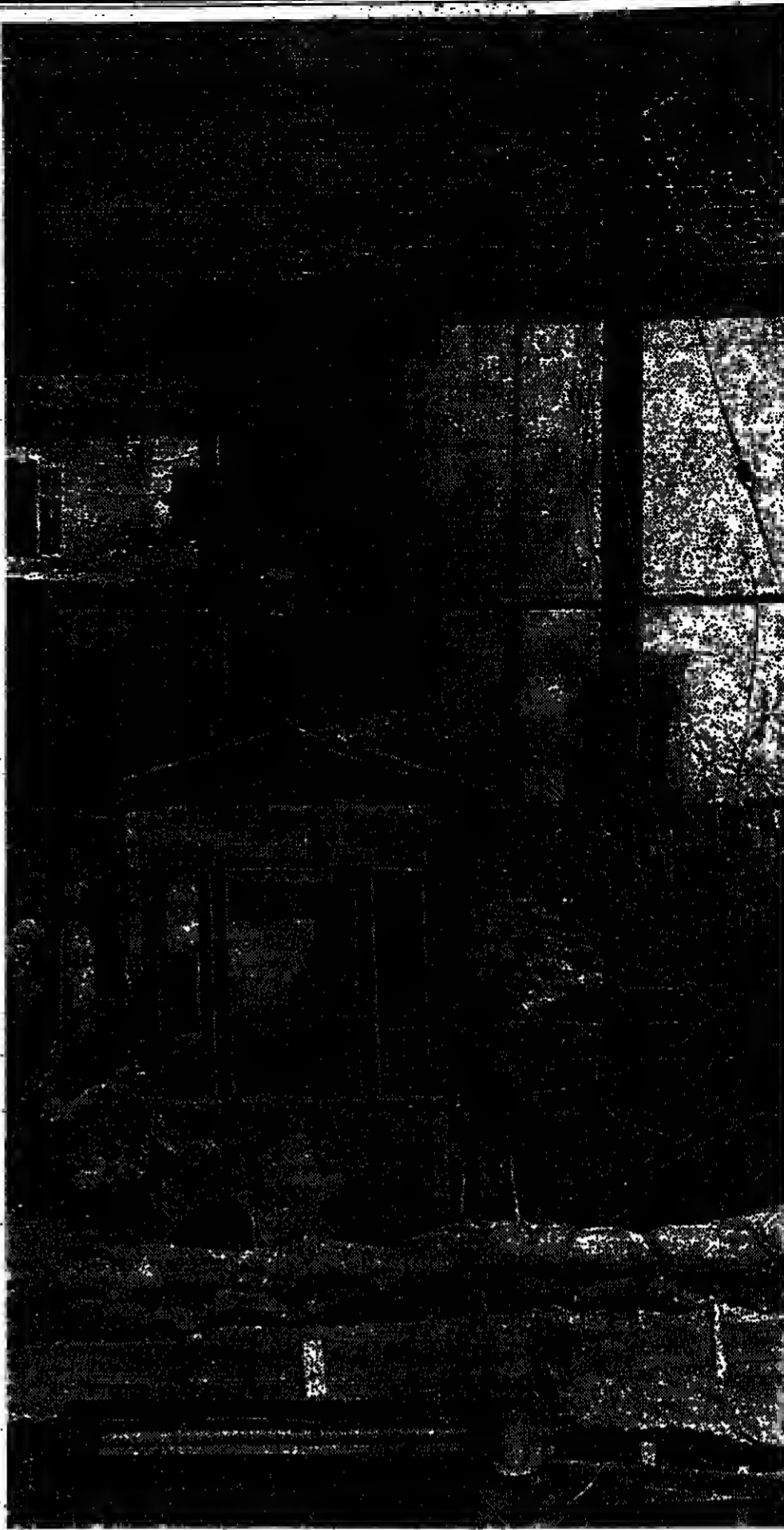
With the West ever more enamoured of General Evren's stern regime in Ankara and with Andreas Papandreu's increasingly socialist government in Athens, there appears little hope at present of any progress in the reunification of the island. There are those who believe that Britain, as a guarantor of Cyprus's sovereignty, should play some role in a new initiative. But Britain will first have to decide whether perhaps the Greek and Turkish Cypriots - despite the obligatory rhetoric of their leaders - are not now happier with the status quo.



President Spyros Kyprianou, the island's legal head of state.



Rauf Denktaş, the Turkish Cypriot leader, sees two choices - a bi-communal republic, or two republics joined by a non-aggression pact.



Life among the rubble along the great Cyprus divide



Cyprus International (State) Fair

28 MAY - 12 JUNE 1983

In May/June each year thousands of visitors converge on Nicosia, the capital of Cyprus, to see the International Fair with its displays incorporating the latest trends in international and local technology and production.

Why not make the Cyprus International (State) Fair '83 your meeting place for new contacts and successful Business deals.

For further information please apply to the:

CYPRUS STATE FAIRS AUTHORITY
P.O. Box 3521
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Telex: 3344 CYPFAIR
Cables: KYPPOFAIR

THE CYPRUS TRADE CENTRE
213 Regent Street
London W1R 8DA
U.K.
Tel: 734-4791
Telex: 22540

CYPRUS TELECOMMUNICATIONS AUTHORITY (CY.T.A.)

P.O.B. 4828, NICOSIA - CYPRUS

The Cyprus Telecommunications Authority is a Public Corporation responsible for the provision, maintenance and development of a comprehensive telecommunications service both local and overseas.

The Authority's development, seriously impaired because of the heavy capital and revenue losses sustained as a result of the 1974 Turkish invasion, has been operating satisfactorily since April 1980 and a further improvement of the international network is the introduction of a satellite via the Indian Ocean Region in 1982 with a Standard B Antenna.

- 1. 24-hour inland and overseas automatic telephone, telegraph and telex service.
- 2. 24-hour telegraph, radio telephone and telex services with ships at sea.
- 3. Telecommunication services with aircraft within the Cyprus Flight Information Region.
- 4. Facsimile Services and Teletex.
- 5. Datax.

Cyprus Telecommunications Authority occupies an enviable position among the countries with the biggest number of ISD countries connected onto their telephone systems. At present sixty nine countries are connected on the Authority's ISD services and more than 50% of the world's telephones can be reached from Cyprus automatically.

One hundred and forty eight countries can be contacted by telex automatically and the rest of the world, where this service exists, via the operators.

The Satellite Earth Station "MAKARIOS", with an antenna towards the Atlantic Ocean, has been operating satisfactorily since April 1980 and a further improvement of the international network is the introduction of a satellite via the Indian Ocean Region in 1982 with a Standard B Antenna.

A new Cyprus-Greece submarine Cable System APOLLON of 1380 channel capacity has been operational since the end of 1981, thus increasing substantially the Authority's number of international telephone and telex services via cable.

Full telecommunication services to all rural areas in the island will be provided within the next three years.

The Authority keeps abreast with technical progress so that it can give to the general public a modern and efficient service.

"We want you to come back."

The brilliant sunshine of the Eastern Mediterranean, beaches and watersports par excellence. Sailing, windsurfing, parasailing, scuba-diving - and Aphrodite born of the foaming waves off ancient Paphos.

Superb food and wine served almost free in the tavernas. Wonderful hotels, and superior service.

History and mythology on every side. Up in the mountains, among the Cyprus pine and cedar, the monks go about their business regardless of season. Relics and ruins that have endured so many centuries will survive as many more.

And the friendliest, warmest people in the world.

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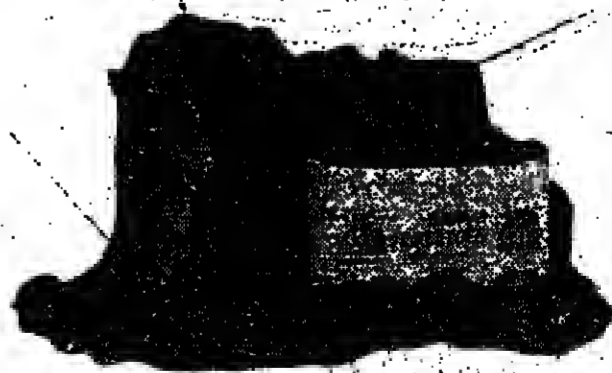
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There is high inflation, flight of capital, no central banking system or monetary management programme, lack of development aid, deteriorating balance of trade, foreign debts and low productivity. Saddled with all these problems, the economy of the Turkish-controlled area of Cyprus started 1983 on a gloomy note, after failing completely to reach the goals of its first five-year plan (1977-1982). Its economy ground to a halt in 1981 and achieved a meagre 0.9 per cent growth rate last year - from the planned 7 per cent.
In the face of this stagnation, the administration of Rauf Denkash continues to drag its feet over the implementation of proposed economic stability measures, preferring instead to rely on the established system of free enterprise and placing much of the blame for the slump on the Greek-Cypriot economic embargo.
A part of the community's difficulties stem from inexperience: the "Turkish Federated State of Cyprus" was proclaimed in 1975, a year after the Turkish army intervention in Cyprus and 12 years after a provisional administration assumed the task of governing the 125,000 Turkish-Cypriot residents of the island in 1963. In 1975 lack of skilled labour was such a problem, says a government official, that "we couldn't even find people to repair lifts." Now they have lift repairmen, but they lack trained white collar workers, especially in finance. "The lack of the personnel, coupled with the absence of a central bank," says Errol Gurun, director general of State Planning Organization, "have made adequate control of banks impossible."
More problematic is the schizophrenic nature of the community's status. "Are we a bird or a camel?" is the way Turkish-Cypriots describe their dilemma as an autonomous community that has not sought or received international recognition, is still technically a part of the Republic of Cyprus, and is totally dependent on a third party - Turkey - for its survival.
The Cyprus pound remains legal tender here, but since the Turkish Cypriots have no means of earning pounds, the Turkish lira has become their *de facto* currency. This lifeline from Turkey occasionally becomes a noose, for while the Cyprus pound is strong, the lira is subject to constant devaluation and persistent inflation. However, recent economic austerity measures in Turkey have also benefited the Turkish-Cypriots, who managed to reduce their own inflation from an astronomical 123.7 per cent in 1979 to 33.5 per cent in 1982.
This is little consolation to the average Turkish-Cypriot, whose real income declined to under £660 this year. (His Greek counterpart earns nearly five times that amount.) He has to work two days to earn a pair of shoes. Housing is scarce and expensive, as are amenities like telephones (there is a two year wait for one).
The one bright spot in the economy is unemployment -

ECONOMY - THE SOUTH
Time of opportunity and uncertainty
President Spyros Kyprianou's decisive re-election in February leaves the economic policy-makers facing both opportunities and some uncertainty. With parliamentary and presidential elections out of the way, the government can now concentrate on taking long-delayed decisions with less concern for electoral considerations. But at the same time Mr Kyprianou and his ministers will be aware that the communist Akei party contributed 34 per cent of his 57 per cent majority, and it will be seeking to translate this support into a greater role in decision making.
Fears of undue communist influence on what has traditionally been a free-enterprise economy have already affected investment, both domestic and foreign. A number of foreign enterprises with a long history in Cyprus have left in recent months.
The most notable departures were those of two British banks, Grindlays and Chartered, each of which sold out all its operations to a local bank in late 1982. The reasons were not entirely political. Cyprus is certainly overbanked, making profitability of the branches marginal relative to the management resources required to run them. And Grindlays in particular was badly hit by the law of 1974 suspending payments on debts affected by the Turkish occupation of the north. Nevertheless, the departures were a blow to confidence, especially when coupled with others by, for example, Wool-

ECONOMY - THE NORTH
A gloomy start to the new year
officially only 2.6 per cent, although the real figure may be closer to 10 per cent. This has been achieved at the cost of productivity. The unwieldy civil service is a case in point: 11,000 people, many of them teachers, work for the government (the second largest employer); half of them, says Gurun, are superfluous. And 50 per cent of the 17,760m lira 1983 budget will go on their salaries.
The wide disparity between the two economies of Cyprus is especially frustrating for the Turkish-Cypriots. They feel that economic stability has been achieved in the south through development aid which was not shared with the Turkish community and for which, as an unrecognized state, they cannot apply. Aid is badly needed to finance such projects as citrus irrigation (£31.5m) and the purchase of the own commercial airplane (\$10m).
Implementation of a 30m ECU (£19m) EEC protocol to Cyprus for 1979-1982 was delayed when the Greek-Cypriots protested that no aid should go to the Turkish community. In the end most of the aid went to the south. Turkish-Cypriot Foreign Minis-



ter Kenen Atakol recently went to Brussels, where he told EEC officials that a planned second aid package should go to both sides or to neither.
Turkey has agreed to undertake as much of the development programmes as it can afford, including the first phase of the Morphou irrigation project (which will be completed in June). And it continues to fund more than half of the budget of the Turkish-Cypriot government. This is greatly reduced from 1963, when it provided 90 per cent of the budget, but instead of becoming more self-sufficient, the Turkish-Cypriots are becoming more dependent: from funding a high of 53 per cent of their own budget in 1979, they have sagged to a projected 37 per cent in 1983.
Total aid in 1982 amounted to 6,399m lira, most of which Turkey provided. Because of the need to import nearly all consumer goods, the 1982 trade deficit was \$80.3m; it was partly offset by tourism revenues, leaving a balance of payments deficit of \$42.8m.
Twenty per cent of the gdp and 70 per cent of the export revenue stem from agriculture, with citrus providing the lion's

share. In 1981 160,000 tons were produced, of which 60 per cent was exported (much of it to the UK). Two thirds of the citrus industry is state-owned.
The second-most important source of foreign revenue, tourism, faces similar problems. The number of tourists to northern Cyprus has steadily declined in five years from 112,910 to 87,629 (65,322 from Turkey). The only "positive development", according to Gurun, is that the number of European tourists has slowly increased.
Potential tourists face a number of difficulties just getting to northern Cyprus: because Ercan airport is not accepted by the International Air Transport Association, flights must be routed through Turkey. And Greek-Cypriots have applied extreme pressure on travel agents not to book tourists into "illegally owned" hotels (all but one hotel were Greek-Cypriot owned). None the less, gross receipts (3,900m lira) outstripped all exports last year.
Perhaps the most serious stumbling block to growth is the lack of foreign and domestic capital for investment. Domestic savings are far below expectations (3 per cent of the gdp in 1982) because of an archaic island law limiting interest on savings to 9 per cent, with inflation at 33 per cent and Turkish banks offering rates six times as high, the savings end up in Turkey, effectively "recycling" the aid from Turkey as soon as it arrives and draining the banks. With no central bank (the Agricultural Bank of Turkey has shouldered the role) and large foreign debts, the Turkish-Cypriot government has little luck obtaining commercial loans.
The government is making efforts to lure foreign firms to northern Cyprus through the opening and upgrading of a free port in Famagusta and a new law that will provide tax exemptions for nine firms now there (including Nadir's Unifac). Critics claim, however, that this will cost the government badly needed revenues.
The private sector in northern Cyprus is dominated by a small but flourishing group of what the opposition calls the "merchant bourgeoisie." These entrepreneurs import luxury consumer goods from Europe and sell them in the scores of small shops in the main towns. Most of the goods are sold to Turks who cannot buy them in the mainland, where imports are restricted. Turkey indulgently imposes no tariffs on imports from northern Cyprus, but recently large-scale smuggling of such items as televisions and alcohol reached such proportions that Turkey slapped taxes on large numbers of previously duty-free items.
"We are the spoiled child of Turkey," admits a government spokesman. More accurately, perhaps, an adolescent undergoing both growing pains and an identity crisis - and one not quite ready to cut the apron strings.
Amy MacDonald

Nevertheless, the government has stated that it is willing to step in to finance investment opportunities ignored by the private sector.
This may make it difficult to control the budget deficit, planned to reach a record Cyprus £96m this year. The deficit has been blamed by many local economists - including those from the central bank - for stimulating inflation and the trade deficit.
The new five-year plan calls for a steadily declining fiscal deficit. But it is difficult to see how this can be achieved, especially if the government has to take a larger share of capital investment.
Expenditure on major irrigation schemes to modernize the agricultural sector will peak in the mid-1980s. Spending on refugees continues at a high level, and debt-servicing will make greater demands on resources. Unless these conflicting demands are reconciled, the government's deficit may prove a serious brake to what has been - under the circumstances - a remarkable economic success story.
Shakib Otaqui
Middle East Economic Digest

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حکومت من الاصل

MARKET REPORT by Andrew Cornelius

BTR attempts dawn raid

ACCOUNT DAY: Dealings began, March 21. Dealings end, April 8. Contango Day, April 11. Settlement Day, April 12.

profit taking on the eve of the financial year and special situations.

Even before this markets were looking for lower interest rates in the United States, and speculating that Fed funds could drop to 8.75 per cent, from the recent levels of about 10 per cent caused by Treasury settlements.

Long gilts closed up a point, medium were a half better, and shorts were up a quarter. But volume was light.

Gold mining shares figured strongly among the larger rises of the day, after the first rise of the gold price - up \$15.50 at \$430. That rise was partly to compensate for the lower dollar, and also based technical factors after the long weekend holiday.

West Rand Consolidated was up 44p at 56c, Western Areas rose 23p at 38p, Randburg was 1p higher at 49c, East Rand gained 16p at 28p, and Leslie rose 14p at 28p.

The Dowable consortium, which is bidding £24m for Cope Allman International, is stuck-

pensions and other emoluments are topped up. Cope says the true figures are an increase of 6.5 per cent last year and 8.8 per cent the year before.

Shares in Satchel & Satchel, the advertising agency were a strong market after some bullish news from the company's annual meeting in London. Shareholders attending the meeting were told that the results of a streamlined management structure are beginning to show through and that the growing world market for advertising expenditures mean that prospects for 1982 are very good. Muirhead, the electricals company were down by 5p to 137p on market fears that Tyke the US stakeholder plans to sell its stake in Muirhead.

P. Brotherhood's shares were also down by 14p to 13p on the agreed bid from Thermo Electronics.

London & Liverpool Trust was another company with shares on the slide by 18p to 412p with investors profit taking after the recent large rises in the company's price brought about by the £8m bid for exclusive rights to screen soccer matches over the next two seasons.

In particular Dowable, led by Mr David Wickens, the British Car Auctions' chairman, says Cope's directors' salaries went up by 38 per cent last year if

RECENT ISSUES table with columns for Issue Name, Price, and % Change.

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Investment and Finance City Editor Anthony Hilton

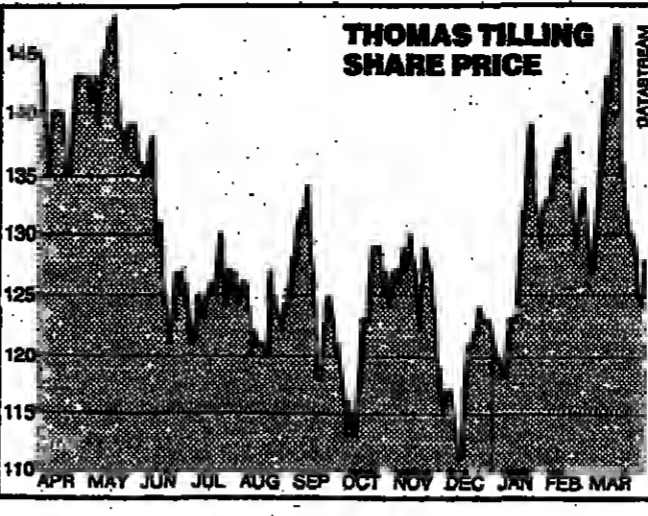
Wall Street opens up in active trading

New York-Wall Street prices opened higher in active trading. The Dow Jones industrial average was ahead 4.16 to 1,131.76 shortly after the market opened.

Target company chief condemns move as 'opportunistic' £500m takeover battle looms after BTR's dawn raid on Tilling

By Jeremy Warner

A £500m plus takeover battle loomed in the City yesterday when BTR launched a dawn raid in the stock market for 15 per cent of the shares of Thomas Tilling, a conglomerate with medical equipment, insurance, building materials and oil industry interests.



THOMAS TILLING SHARE PRICE APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR

BTR and Tilling so I can only suppose that it is their aim to come in and break up the company by selling off its businesses. Well we can do that as well as they can.

City Comment

Home loan hawks are gathering

Pressure is mounting within the building societies for an increase in rates and this week's meeting of the Building Societies Association Council is likely to be the last when the doves will win the day.

STOCK EXCHANGES

FT Index: 654.0 down 1.1 FT All Shares: 80.97 down 0.15 FT All Shares: 412.09 up 4.45

CURRENCIES

LONDON CLOSE Sterling \$1.5025 up 190 pts DM 3.6400

INTEREST RATES

Domestic rates: Base rate 10 3 month Interbank 10 1/2-10 3/4

PRICE CHANGES

APV Holdings 3p up 13p BP 34 1/2 up 12p Leslie 28 1/2 up 1/2

TOLY

Interims: A. schman, Trident Computer Services

Zurich date for Rmania

Romania will lead a small group of leading Western creditor banks in Zurich on April 13 and 14 to review progress proposals to reschedule \$600m of 1983 commercial debt.

Volcker to fight curbs on Fed

The US Federal Reserve Board is engaged in a congressional dispute over what it regards as a dangerous attempt by the House Banking Committee to curb its ability to set monetary policy.

Attack on building societies' status quo

A seven-point plan for the reform of building societies has been put forward by Lord Young of Darlington, President of the Consumers Association, and Marianne Rigge, Director of Mutual Aid Centre, in a letter to leading politicians.

Lasmo in £75,000 pay-off

Shareholders of Lasmo, the independent British oil company, are being asked to approve an ex gratia payment of £75,000 to Mr Hector Watts, the company's former chief executive, who reluctantly retired last year to make way for a younger man.

Ford claims Sierra March best-seller

The intensifying competition between Ford and BL in Britain's booming car market reached a new peak yesterday, with Ford claiming that its Sierra model had beaten the Metro to become the March best-seller.

UN money policy warning

The need for a fiscal policy that would encourage fixed investment and ensure that the present recovery will not prove abortive is emphasized by the United Nations Economic Commission for Europe (ECE) in its annual survey.

Bid battle likely for Johnson

The Monopolies and Mergers Commission's findings on whether two bids for Johnson group cleaners should be stopped are with the Trade Secretary whose decision is not expected before the end of the month.

Barclays-TSB cashpoint link

The country's cash dispenser machines were yesterday divided into two nationwide rival networks, when Barclays announced that it was linking with the Trustee Savings Bank and the Bank of Scotland to allow customers of one bank to use any of the three banks' machines.

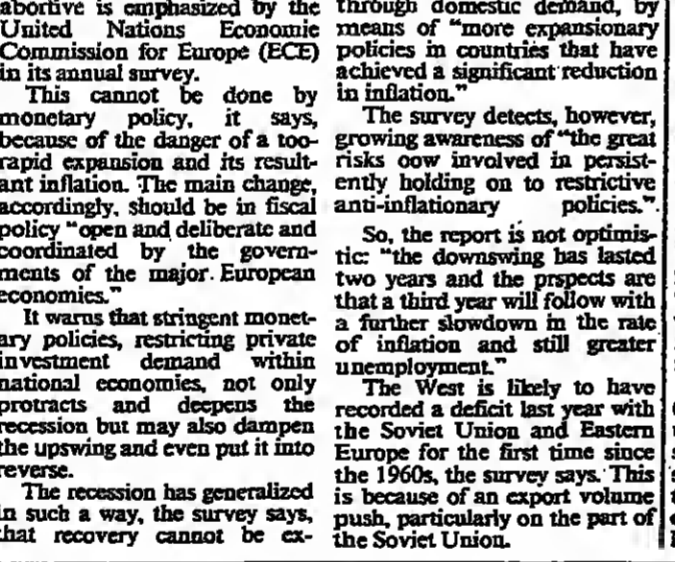
Working party sets out proposals to prevent abuse of system

Control and ownership of Lloyd's underwriting agencies should remain firmly in the hands of members of the London insurance market, although outsiders should be allowed to hold up to a third of the voting power, a Lloyd's working party has recommended.

Lloyd's 'should retain underwriting control'

By Peter Wilson-Smith Banking Correspondent

Control and ownership of Lloyd's underwriting agencies should remain firmly in the hands of members of the London insurance market, although outsiders should be allowed to hold up to a third of the voting power, a Lloyd's working party has recommended.



Shareholders in Britoil have until 3 pm today to pay the second 115p call on their shares, or risk forfeiture under the terms of the company's controversial privatization last November.

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NEW CHAIRMAN: Mr Robert Haslam has taken over as chairman of Tate and Lyle replacing Lord Jellicoe who has become a non-executive director.

OIL DEAL: Mexico will continue cooperating with Venezuela to send cheap oil to Central America and the Caribbean.

TRADE DECLINES: Foreign trade by the world's industrialized countries declined for the second consecutive year in 1982, reflecting global recession.

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control remains within the market with those who come within the jurisdiction of the Lloyd's Council and it argues that, if outsiders were allowed to gain control, then self-regulation could suffer. However it concedes in its report that, by maintaining an element of outside voting control, a better sense of accountability could be encouraged.

The proposals on members' agents also include concessions from the original discussion paper which will enable Lloyd's brokers - many of whom fought long and hard against divestment.

The working party recommends that brokers should be allowed to hold more than a third of the voting shares in a members' agent only if the members' agent can satisfy the Council that it does not supply more than 20 per cent of the stamp capacity of any underwriting syndicate.

Mr David Palmer, chairman of Willis Faber, which looks after about 1,000 names through its members agents, said yesterday he thought this condition was a retrograde step and not in the market's best interests. "I think it's sad and divisive," he said.

The working party's proposals, which have been aimed at preventing abuses in the underwriting system at Lloyd's, are expected to be discussed by the Lloyd's Council later this month.

Festival Gastronomique Gasconne April 11th to 16th. Savour the finest Gascony cuisine, prepared by a team of chefs led by Andre Daguin of the celebrated Hotel de France, Auch.

Monsieur Daguin's restaurant is famous among connoisseurs of superb food the world over, and holds two coveted stars in the Michelin Guide. The Festival Gastronomique Gasconne will be held in the magnificent Four Seasons Restaurant at the Inn on the Park from Monday April 11th until Saturday April 16th. For a week to be long remembered, you'll find Gascony at the end of Park Lane. For reservations, call 01 499 0888.

Inn on the Park The Four Seasons Restaurant Hamilton Place, Park Lane, London W1.

Handwritten signature or note at the bottom of the page.

Beazer now close to Second City takeover

By Baron Phillips Property Correspondent C H Beazer, the Bath-based housebuilding, construction and property group, looks set to take over the Midlands company, Second City Properties, following further irrevocable acceptance of its £18.4m bid. Beazer now owns, or has acceptances from, about 30 per cent of the issued shares in Second City.

Unfortunately, just as Beazer looks set to complete the deal, Mr Cyril Beazer, the chairman, has died. Beazer's aggressive cash and shares bid, valuing Second City shares at almost 78p, now looks a shade expensive. Last week Second City published details of an independent valuation of its investment portfolio which showed an open market value of £13.1m.

So far Beazer has acquired about 3.5m Second City shares, equivalent to almost 15 per cent, and has support from the directors who control 12 per cent of the group, a further 3.9 per cent will come from the Garton investment group.

Maxwell turns BPCC round to £12m profit

British Printing & Communications Corporation Year to 31.12.82 Pretax profit £12.4m (1.2m loss) Stated earnings 11.4p (1.5p) Turnover £182.5m (£188.1m) Final dividend nil (same) Shares price 98p down 10p

British Printing & Communications Corporation moves into its third year with Mr Robert Maxwell at the helm on a strong note. Yesterday BPCC reported a pretax profit of £12.4m for 1982 (after exceptional items) against losses of £1.2m the previous year, on a turnover down by 26m to £192m.

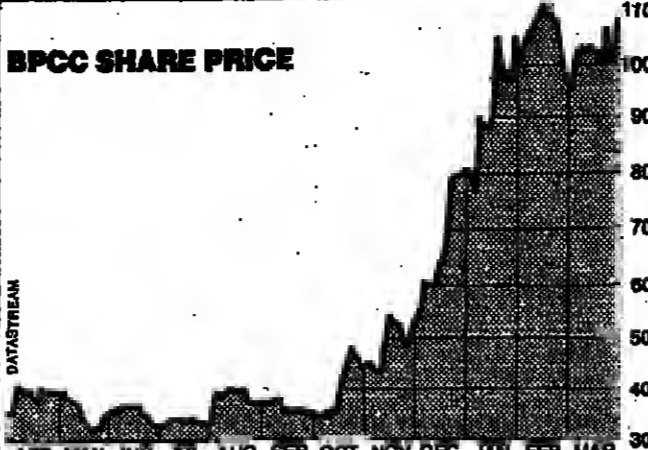
The figures include a healthy £515,000 contribution from exceptional items which included £175,000 profits on the sale of the company's 19.1 per cent stake in Bemrose. A further £2.1m has to be allowed for extraordinary items, which mainly relate to the cost of rationalizing the BPCC printing businesses, and a £471,000 currency loss from the publishing business in Sweden. Even so, after stripping out all the extraordinary costs, there was an impressive £11.1m profit on the bottom line.

Mr Maxwell declined to provide a breakdown of where the profits were made, beyond indicating that the Swedish operation made a strong contribution. A good contribution, too, came from the British printing plants, which benefited from improved productivity.

A more detailed breakdown of the group's performance will be made available when the 1982 annual report is published in May. Mr Maxwell says that his survival plan for BPCC will be completed by the end of this year when he has completed the rationalization of Sun Printers and Oudams in Watford, and sorted out problems at the Park Royal printing plant in London.

He is looking for a further increase in profits during the year and is confident that payment of dividends on both ordinary and preference shares will be resumed during 1983.

However, shareholders will have to wait for the 1982 annual report to gain a clearer understanding of just where the profits are coming from, before a full assessment is possible.



Johnson Group

Johnson Group Cleaners Year to 25.12.82 Pretax profit £5.8m (£4.1m) Stated earnings 35.8p (17.9p) Turnover £50.7m (£44m) Net second interim dividend 8p (5.5p) Shares price 348+5p Yield 4.4% Dividend payable 28.4.83

Much better than expected results from Johnson Group Cleaners have strengthened the board's hand in two ways: first, if Trade Secretary approves two would-be bidders, they provide a stiff backbone for the defence. Second, if he stops the bid, the results will underpin the share price to stop it collapsing along with takeover hopes.

Opinion in the City is divided over what the decision from Lord Cockfield will be. But Johnson's 40 per cent increase in the dividend over last year indicates the board is

not convinced it will be in its favour.

What worries the company's followers is that if Initial or Sunlight Service group are stopped from bidding, Johnson will end up stuck on a profit plateau just as it did after it fought off the Sketisbury bid in 1977.

Last year consumer business picked up early in April and May and profits increased from £3.3m to £4.6m while the industrial side remained flat. Now the industrial side is now showing some strength or at least it is no longer such a tough race to put on business faster than it was lost by factory closures.

APV Holdings

A.P.V. Holdings Year to 31.12.82 Pretax profit £17.6m (£18.4m) Stated earnings 34.8p (37.2p) Turnover £258m (£225m) Net final dividend 7.7p mkg 10.5p (9.9) Shares price 356p up 13p Yield 4.2%

APV has increased its profits only slightly, but the substan-

Ambrosiano inquiry for S America

From John Eagle Rome

Members of the Italo-Vatican Mixed Commission, set up in December to ascertain the Vatican bank's involvement with the Banco Ambrosiano empire of the late Signor Roberto Calvi, are reported on their way across the Atlantic to investigate former Ambrosiano subsidiaries in the western hemisphere.

They are expected to visit the Banco Andino in Lima, Peru, the Ambrosiano Grupo Comercial in Managua, Nicaragua, and the Banco Ambrosiano Overseas de Nassau, Bahamas. Monsignor Paul Marcinkus, the American archbishop who heads the Vatican bank, the Istituto per le Opere di Religione (IOR), used to sit on the board of the Nassau subsidiary.

The Italian government maintains the IOR owed the Ambrosiano group \$1,200m (£797m) when the latter collapsed last summer. Much of this resulted from complicated operations by Signor Calvi involving Ambrosiano group banks and phantom companies owned by the IOR. The Vatican denies liability.

Table titled 'COMMODITIES' listing prices for various metals, oils, and grains. Columns include item names, previous prices, and current prices. Items include Copper, Soyabean Meal, Lard, and various grades of oil and grain.

Eight-point package to aid Japan's economy

Democratic Party (LDP) leader's wish for a cut the official discount rate. The LDP is particularly eager to see the interest rate reduced before the April 10 and 24 nationwide local elections. But Mr Harvo-Matsuda, the Governor of the Bank of Japan, has stood out since early reduction of the discount rate, presently at 5 per cent, because it could further weaken the yen against the dollar.

United Newspapers plc advertisement. Features the headline 'Profit for 1982 up 49.5%' and 'Growing confidence for 1983'. Includes a photograph of David Stevens, Chairman. Text describes financial performance, acquisitions, and future plans. Includes a summary of results table comparing 1982 and 1981 figures.

COMPANY NEWS IN BRIEF

- Unigroup: Half-year to 31.12.82. Pretax profit £17,000 (£29,000). Stated earnings 0.46p (0.77p). Turnover £2.38m (£2.08m). Net interim dividend, None (same).
A C Cars: Half-year to 30.9.82. Pretax loss £341,000 (£233,000). Stated loss per share 16.4p (0.77p). Turnover £1.44m (£1.98m). Net final dividend, None (same).
Ingall Industries: Half-year to 31.12.82. Pretax profit £235,000 (£161,000). Stated earnings 1.79p (1.19p). Turnover £2.18m (£2.13m). Net interim dividend, 0.58p (0.98p).
Sharma Ware: Year to 31.12.82. Pretax profit £387,000 (£543,000). Stated earnings 8.66p (9.58p). Turnover £20.86m (£17.35m). Net final dividend, 1.33p making 2.2p (1.735p).

Habit acquires Abrasives

Habit has acquired Precision Abrasives of Lichfield, Staffs, from Warne, Wright and Rowland, part of the Benjamin Priest Group. Precision Abrasives makes industrial diamond products similar to those manufactured by Habit's subsidiaries. Total consideration a £60,000 satisfied the issue of 140,000 new ordinary Habit shares.

Suppliers await verdict on cable TV contracts

By Bill Johnstone, Electronics Correspondent Britain's communications industry's hardware suppliers are likely to learn this month if their confidence in the prospects for a national cable television network will be rewarded. The Home Office and the Department of Industry have argued for many weeks over who should award franchises and how they should be policed. Even in this atmosphere of uncertainty Britain's big electronic companies have been making tentative plans. Rascal, Plessey, GEC and STC have all been investigating the potential of cable.

Business Class to Athens is a big seat. Advertisement for Olympic Airways. Text includes: 'Every day from London 26 big, wide, private Business Class seats in Olympic Airways A300 Airbus. Plus superb catering and dining, priority check-in desk and boarding and extra baggage allowance. Remember Olympic Airways Business Class. You'll never forget it.' Includes Olympic Airways logo and contact information.

THE NEW THURMORTON TRUST PLC. Advertisement for the trust, listing capital and assets, and providing information for shareholders.

Michael Prest on Opec's debate on developing member countries' economies

The Gulf looks to investment

APPOINTMENTS

New chief for Lucas finance

Mr R. Brown has become finance director and treasurer of Lucas Industries in succession to Mr J. W. Shield who is retiring.

Mr David Blackett and Mr Peter Sullivan have joined the board of N. M. Rothschild & Sons.

Mr Brandon Gough has been appointed as senior partner of Coopers & Lybrand and chairman of the firm's executive committee.

The following have been admitted as partners of Coopers & Lybrand: Mr Phillip Collins, Mr Peter J. Cooke, Mr Roger Emerson, Mr Richard North, Mr Richard H. Phillips, Mr Glyndwr D. Thomas, Mr Clive W. Talloch (all in London); Ms Jane Gilbert (Birmingham); Mr Roger Angus (Bournemouth); Mr Christopher J. Phoenix (Edinburgh); Mr Gordon Jack (Glasgow); Mr Jonathan P. Zigmund (Leeds); Mr Richard A. Wade (Leicester); Mr Russell B. C. Beeson (Maidstone); and Mr Philip Wilkinson (Northampton). Messrs Austin Bendall, John A. Hammond, David Liggins, Richard J. Platford, and Francis J. Floeden have been made directors of Coopers & Lybrand Associates in London and Mr Victor L. Luck becomes a director in Leeds.

Mr C. David Wathen, the planning director of Burnett & Hallamshire Holdings, has been appointed chairman of the Property Division, Anglo Overseas Construction Corporation and chairman of the Oil Division, UK Petroleum Products Holdings.

In addition, Burnett & Hallamshire's mining division has made the following board appointments within the division's parent company, The Mining Investment Corporation. Mr James I.M. Pitchford is appointed joint managing director (Mining Operations), Mr John R.Hall is appointed director responsible for Mining Europe, Mr Michael J. Hall is appointed director, Mining International and Mr Kenneth J. Daff is appointed director responsible for the Group's Reclaimed Fu Operations.

Last year the Organization of Petroleum Exporting Countries incurred its first current account deficit in a decade, and the probability is that Opec's 13 members will collectively import more than they export again this year. So it is understandable that recycling petrodollar mountains has come in recent months to seem the problem of a bygone age.

But equally important when Opec members are withdrawing cash balances from the banking system is the second debate over the merits of return or yield on external assets and liquidity. These two sets of arguments are not merely technical in conservative Moslem countries they imply political differences about the pace and nature of development. For the world as a whole they are about the supply and cost of energy.

The tables show the recent history of oil producers' revenues. Gross revenues accruing to the Gulf exporters fell by almost \$50,000 million in 1982 to \$126,800 million, and will decline sharply again this year on any reasonable assumption about prices and production. The figure of \$103,350 million calculated here assumes that the price and production quotas agreed at the last Opec meeting will hold.

For the immediate future, at least, the Gulf countries are the ones relevant to the discussion because they account for all the surplus - indeed, in a sense more than all the surplus since other Opec members run deficits - and they have choices about how to deploy resources. Other less fortunate Opec members mainly need to produce as much oil as possible at the highest price.

After running up an investable surplus of \$68,000 million in 1981, which came after a record

Table: Deployment of oil producers' surpluses (\$000m). Columns: 1981, 1982(e), Q1, Q2, Q3, Q4(b). Rows: United States, Bank deposits, Treasury bonds & notes, Government stocks, Other portfolio, Other, Bank deposits in other industrial countries, Other investment, IMF & IBRD (C), Loans to developing countries, Total identified, Unidentified residual, Total cash surplus.

Source: Bank of England Quarterly Bulletin (a) Opec plus Bahrain, Brunei, Oman, and Trinidad and Tobago; (b) Provisional; (c) Saudi Arabia has since agreed to contribute to the General Arrangements to Borrow.

surplus of more than \$100,000 million in 1979, oil producers collectively suffered a deficit estimated at \$1,500 million last year. But the bigger and more populous Opec states, the "high absorbers" in the jargon, have actually run deficits totalling about \$60,000 million in the past two years.

One crucial aspect of that deterioration is how assets have become more and more concentrated in the hands of the "low absorbers". Superficially the cumulative financial surplus of oil producers since 1973 is easily more than \$400,000 million. But recent heavy current account deficits have cut the high absorbers' cumulative surplus to almost zero. In other words, the \$400,000 million is controlled by the Gulf states.

But while revenues have fallen and the concentration of assets has grown, import bills have continued to rise. Mr Roger Azar, who runs a private investment company in Paris for Arabs, has estimated that total Opec revenues this year will be \$135,000 million, a drop of 14 per cent from 1982. But Opec expenditure will grow by 7 per cent - admittedly half the rate of the previous year - to \$278,000 million.

Most of this substantial potential deficit will be incurred by Opec members outside the Gulf. Kuwait, the United Arab Emirates and Qatar should run small surpluses. The exception, however, is likely to be Saudi Arabia. As the table shows, the kingdom's policy of halving output to support the oil market has also saved earnings: it is possible that Saudi Arabia will have a deficit of \$7,000 million this year after allowing for outflows of around \$80,000 million.

Nevertheless, Saudi Arabia at least has the luxury of choice over how to fund its deficit. Unlike poorer Opec members, it can afford to draw on reserves, slow down expenditure or even just run a modest temporary deficit. Yet the very act of choosing poses problems.

Withdrawal of reserves is one example. Opec as a whole started to draw on bank balances early last year. There are wide discrepancies in the figures because identifying the origin and destination of funds internationally is hard, the more so if they belong to secretive Arab governments. But a simple comparison drawn from Bank of England statistics suggests that Opec changed from being a net depositor of \$2,100 million in 1981 (and the real amount was certainly more) to taking out a net \$3,700 million.

At the same time, however, other kinds of investment have been made, albeit at a slower pace. Investment in British government securities was reduced last year, but United States Treasury bonds and notes still proved attractive, even if the quantities bought were smaller. A significant change was in other portfolio invest-

ment - chiefly equities - which fell noticeably in the final quarter. In effect therefore, net new Opec investment has halted as liquid assets have been sold or withdrawn. Some countries may be tempted to reverse previous practice and not reinvest interest or securities that mature. Mr Azar reckons that investment income on accumulated Gulf state assets could exceed oil revenues this year.

Kuwait, for example, has external assets of some \$40,000 million and Saudi Arabia holds about four times as much. If one assumes that roughly \$110,000 million of Saudi investments are public funds and that a third of that amount is liquid, a relatively humble average return of 7 per cent would produce sufficient income to cover the current account deficit.

So it would seem that the advocates of liquidity have been vindicated. After piling up huge bank balances in the mid-1970s, oil producers tended to switch more investment into longer term assets.

The irony is that while a political emphasis on liquidity is becoming more attractive in the Gulf, the value of longer term assets is rising. Falling interest rates pushed up the value of Opec's \$40,000 million in United States and British government securities last year so that the total return could be 20 per cent. Capital gains were also made on stock markets where prices rose by as much as 50 per cent.

By the same token, income from bank deposits must have declined. But the most likely outcome of the recent traumatic Opec experience will be a more powerful lobby for diversification of revenues. Gulf oil producers do not want to be at the mercy of either oil prices or foreign investments. They thought Opec solved the first problem, but it created the second. So the chances are that any slowdown in physical economic development will be a passing measure to ease current pressure.

If this is the solution to the Opec investment debate it implies that the day on which the crucial marginal oil suppliers can afford to pump less crude has drawn closer. And lower depletion rates mean higher world energy costs.

Table: Change in oil revenues (\$000m). Columns: 1981, 1982, 1983 (early est), 1983 (new est). Rows: Saudi Arabia, Iran, Iraq, Kuwait, UAE, Qatar, TOTAL.

Source: based on calculations by Petroleum Intelligence Weekly.

Economic notebook

Dubious morality of owning your home

Like motherhood and royalty, we have been brought up to believe in the virtues of home ownership. The life cycle of the family is dominated by it. We scrimp and save for the downpayment on our house saddle ourselves with mortgage commitments which all too often dictate our spending according to the vagaries of interest rates. There are millions of people who are slaves to their mortgages and whose work arrangements are subservient to the monthly mortgage repayment.

One of the first principals of finance (and commonsense, too) is not to hold all your eggs in one basket. The individual should diversify his assets so that risks are widely spread. Apart from some bank deposits, most of us invest all our wealth in the house in which we live - just the opposite of what commonsense suggests. We do not have to look very far to explain our unreasonable behaviour. Because of mortgage relief, home ownership is the most effective tax shield available to us and naturally we exploit it. It is the tax system that encourages us to place all our eggs in one basket and leaves us exposed to the risks of house price fluctuations.

Mortgage relief raises the demand for houses and thus artificially increases their price. This elementary implication of the laws of supply and demand in turn implies that the subsidization of home ownership may be self-defeating. The more inelastic the supply of housing, the greater the increase in house prices. We therefore, cannot take for granted that mortgage relief is achieving its intended objective of increasing home ownership, however dubious this objective may be. It may merely be raising house prices rather than increasing the number of houses.

Moreover, home ownership incentives tend to reduce labour mobility because they reduce the vigor of the private rental market. It is argued that rent control legislation has killed off the private rental market from the supply side. It is forgotten that markets can also be killed off from the

demand side. If we create high incentives to own homes rather than to rent them, the private rental market will contract (and has contracted) from the demand side. One of the virtues of rental is that it enhances mobility. It is easier to exchange leases than to buy and sell houses.

This brings me to my main suggestion: that subsidies of home ownership be abolished. Under such circumstances people would not mind whether they rented a house or owned one. Market forces would ensure that rental rates would equal mortgage cost plus house price changes. For personal reasons some of us would choose to own rather than to rent, but the costs would be the same as the same were abolished and the Rent Act appropriately reformed. The face of the British housing market would be revolutionized. The obsession with owner occupation would be transformed for the better.

At the same time public sector housing should be denationalized so that a genuinely integrated and competitive market in accommodation can develop.

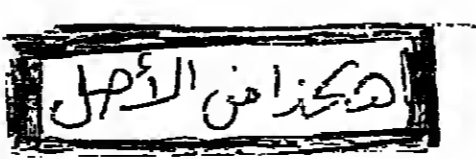
Until the last Budget, it was my impression that the Government was pursuing such a policy. The policy of council house sales plus the limitations on building were major steps in that direction. Rent Act reforms went some limited way to revive the private rental market from the supply side.

In the meanwhile, although mortgage relief was not abolished it was allowed to wither away with inflation and looked as though it was going to die a silent death.

In the Budget the ceiling on mortgage relief was raised by 20 per cent. Maybe Mrs Thatcher has not really developed a sensible housing policy after all. Market economics do not always mix.

Michael Beenstock The author is Professor of Finance Investment at the City University Business School

Large financial table with multiple columns: High, Low, Bid, Offer, Yield. Includes sections for Authorized Unit Trusts, Authorized Units & Insurance Funds, and Insurance Bonds and Funds. Lists various investment products and their performance metrics.



Grittar's rider escapes as mount is killed

By Michael Seely

Paul Barton, John Francombe's replacement jockey on Grittar, the Grand National favourite escaped unhurt when Hawkborrow was killed in a fall at the sixth flight of hurdles in the Montagu Handicap at Wetherby yesterday...

Ma Biche Shergar syndicate start to cast their lines in other waters

By Michael Seely

Lord Derby has acted on the assumption that Shergar is dead and has sent two mares to the stallions. "I had to take a view," he said yesterday...

The syndicate obviously faces grave financial loss if Shergar is not found. The matter of any compensation by insurance is complicated as each individual member has made his own arrangements...

A youth learns from the Masters

From John Hennessy

The first serious rites of the golfing spring, in the northern hemisphere, are about to be enacted this week with the opening of the Masters tournament...

Watson: 1981 winner likely to partner Thompson

Thompson has been through a trying time since his victory in last year's Amateur, having become too obsessed with the mechanics of the swing and too readily pried with advice...

Thompson does not contribute to a reluctant break with tradition that makes this year's Masters so much more of a watershed...

POINT TO POINT Housemistress will take some beating

By Ian Reid

Buck Royale, from Arctic Luv, Optimism, who had beaten Buck Royale at Fontwell, unseated rider French Peacock had won at Kibble Hambleton's four-mile open at Tweekendown to beat two other promising contenders...

Champion Chase at the National Hunt Festival will make a bold effort to defy 12 stone in the opening Cup Handicap Steeplechase. Gave brief, Mervyn Rimmel's brilliant winner of the Waterford Crystal Champion Hurdle is one of eight acceptors for the Sun Temple Hurdle...

Paul Barton: unlikely to ride Grittar beforehand

National fever is now gripping everyone and the realization that the big day is now only four days away came with the publication of the first set of odds for the Grand National yesterday...

Four for Scudamore

The joint champion jockey, Peter Scudamore, was in almost invincible form at Chesham yesterday, winning the first four races on Somay, Chingolo, Bold Image and Rojo's Owen...

Ascot NH

Racing schedule table for Ascot, including race numbers, times, and names of horses and jockeys.

Warwick results

Racing results table for Warwick, listing race names, winners, and odds.

Wetherby NH

Racing schedule table for Wetherby, including race numbers, times, and names of horses and jockeys.

Ascot Selections

Selections for Ascot races, listing race numbers, horse names, and jockeys.

Pontefract

Racing schedule table for Pontefract, including race numbers, times, and names of horses and jockeys.

Pontefract Selections

Selections for Pontefract races, listing race numbers, horse names, and jockeys.

Pontefract

Racing schedule table for Pontefract, including race numbers, times, and names of horses and jockeys.

Fryston Stakes

Racing schedule table for Fryston Stakes, including race numbers, times, and names of horses and jockeys.

Warwick results

Racing results table for Warwick, listing race names, winners, and odds.

Wetherby NH

Racing schedule table for Wetherby, including race numbers, times, and names of horses and jockeys.

British face bumpy trip to the Isle of Wight

By John Wilcockson

France and the Netherlands have entered strong teams for the Sealink International race which starts on April 18 at Ventnor. Isle of Wight, leading the French squad is Felix Ulybin from Nantes...

Downs: amateurs' leader

A better pointer to form will be next Sunday's Peron Grand Prix at Beaconsfield, where the chieftain of the British amateur prospects face their toughest test...

Snow Reports

Snow reports table showing depth, conditions, and weather for various locations across the country.

Lester Pigott will not ride today because of a slight strain in his right wrist. The champion jockey was due to ride at Pontefract, but has decided to rest the wrist for the day.

King Spruce, the Grand National hope of the American rider, Joy Carter, will not be at Ascot until Sunday morning. The trainer, Michael O'Brien, has arranged for last year's Irish Grand National winner, to be kept at the Haydock racetrack stables until the big day.

Racing at Overbury yesterday was abandoned because of waterlogging after heavy overnight rain. The forecast for further rain and as there was water on the course, it was decided after National Hunt fixtures last this season to 55.

Richard Holder continued his fine start to the Flat season when Blow My Top became his fifth winner from seven runners when landing the Haseley Handicap at Warwick yesterday.

